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FACSIMILE TRANSMITTAL

DATE: March 14, 2005

TO: Mail Stop Issue Fee

FAX: 703-746-4000

FROM: William Y. Conwell

PAGES: 3 (including this page)

RE: U.S. Patent Application No. 10/693,269

FILED: October 23, 2003

FOR: METHODS AND TANGIBLE OBJECTS EMPLOYING TEXTURED MACHINE

READABLE DATA

ART UNIT: 2621

DOCKET NO.: P0898L

☐ For Review ☐ Please Reply ✓ Urgent

FACSIMILE COVER LETTER

Attached is an Issue Fee payment transmittal letter with deposit account authorization and Statement Responding to Reasons for Allowance for the above referenced matter.

CERTIFICATE OF FAXING

I hereby certify that these papers are being facsimile transmitted to the US Patent Office, 703-746-4000 on March 14, 2005.

> William Y. Conwell-Reg. No. 31,943 Attorney for Applicant

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PATENT

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re application of:

Davis et al.

Application No.: 10/693,269

Filed: October 23, 2003

For:

METHODS AND TANGIBLE

OBJECTS EMPLOYING TEXTURED MACHINE

READABLE DATA

Examiner: A. Johns

Date: March 14, 2005

Art Unit 2621

Conf. No.: 9068

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William Y. Conwell, Res. No. 31,943

Attorney for Applicant

STATEMENT RESPONDING TO REASONS FOR ALLOWANCE

Mail Stop ISSUE FEE COMMISSIONER FOR PATENTS P.O. Box 1450 Alexandria, VA 22313-1450

Sir:

This statement is filed pursuant to 37 C.F.R. 1.104(e) ("Reasons for Allowance"), and is responsive to the Examiner's statement of reasons for the indication of allowable subject matter in the Notice of Allowability dated December 13, 2004.

Applicant respectfully submits that the allowability of the claims does not hinge on isolated elements thereof. Rather, the claims are believed patentable because, when viewed as a whole, they define combinations that are neither anticipated by, nor obvious over, the prior art.

Date: March 14, 2005

CUSTOMER NUMBER 23735

Phone: 503-469-4800 FAX 503-469-4777

Respectfully submitted.

DIGIMARC CORPORATION

By_

William Y. Conwell Registration No. 31,943